

Abstract

This thesis deals with the analysis of the economic situation of selected five Czechoslovak banks: Živnostenská banka, Tatra banka, Anglo-československá banka, Banka Československých legií and Agrárna banka during the Great Depression. Through the available data from 1922 – 1938, the development of the behavior and efficiency of banks in the pre-crisis and during the period is proven. The aim of this work is to describe the situation of banks before the onset of the economic crisis and to identify the behavior of bank management during the Great Depression using four financial indicators. Financial indicators examine the profitability, liquidity and solvency of banks. The results of the work showed that banks behaved inefficiently already before the crisis, which is indicated by low values of return on equity and assets. The ratio of loans to deposits due to the crisis has fallen in almost all banks, but points to the inefficient behavior of some of the Czechoslovak banks as part of low lending before the crisis. Although none of the Czechoslovak banks collapsed during the crisis, this thesis points to the inefficient behavior of bank management, which relied heavily on state aid.